

¶260 Moving Expense Deduction

NEW LAW EXPLAINED

Moving expense deduction temporarily repealed; special rules for Armed Forces members retained.—The deduction for moving expenses is generally repealed for tax years beginning after December 31, 2017, and before January 1, 2026 (Code Sec. 217(k), as added by the Tax Cuts and Jobs Act). Thus, an employee or self-employed individual may not claim an above-the-line deduction in calculating adjusted gross income for moving expenses in 2018 through 2025.

The special rules applicable to a member of the Armed Forces of the United States will continue to apply after 2017. Thus, the Armed Forces member may still claim a deduction for moving expenses and exclude from income in-kind moving and storage expenses, as well as reimbursement or allowance for those expenses, in 2018 through 2025 if he or she who is on active duty and moves pursuant to a military order and incident to a permanent change of station (Code Sec. 217(g)).

Effective date. The amendment made by this section applies to tax years beginning after December 31, 2017 (Act Sec. 11049(b) of the Tax Cuts and Jobs Act).

¶610 Qualified Moving Expense Reimbursement

NEW LAW EXPLAINED

Exclusion for Qualified Moving Expenses Reimbursement is Suspended.— The exclusion for qualified moving expense reimbursements is suspended for tax years 2018 through 2025 (Code Sec. 132(g), as amended by the Tax Cuts and Jobs Act). However, members of the United States Armed Forces on active duty who move pursuant to a military order and incident to a permanent change of station will still be permitted to exclude qualified moving expense reimbursements from their income (Code Sec. 132(g)(2), as amended by the 2017 Tax Cuts Act).

Effective date. The amendments made by this section shall apply to tax years beginning after December 31, 2017 (Act Sec. 11048(b) of the Tax Cuts and Jobs Act).